

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS	)	
ADJUSTMENT FILING OF MIKE LITTLE	)	CASE NO. 90-077-E
GAS COMPANY, INC.	)	

O R D E R

On December 7, 1990, the Commission issued its Order in Case No. 90-077 approving certain adjustments in rates and providing under certain conditions for the further adjustment of such rates on a quarterly basis in accordance with the provisions of the gas cost adjustment ("GCA") clause set forth therein.

On June 18, 1992, Mike Little Gas Company, Inc. ("Mike Little") filed its quarterly GCA, which is to become effective August 1, 1992 and is to remain in effect until October 31, 1992.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Mike Little's notice of June 18, 1992 set out certain revisions in rates which Mike Little proposed to place into effect, said rates being designed to pass on to its customers the expected wholesale gas cost from its supplier. Mike Little did not calculate its expected gas cost using actual 12-month purchase volumes. Mike Little's expected gas cost ("EGC") adjustment for the quarter beginning August 1, 1992 should be \$3.1187 per Mcf.

2. Mike Little's notice included a current quarter actual adjustment ("AA") in the amount of 9.90 cents per Mcf to collect under-recoveries experienced by Mike Little through the operation of its gas cost recovery procedure during the months of February, March, and April 1992. Mike Little's AA has been recalculated to reflect actual sales levels for these months; the corrected current quarter AA is 13.70 cents per Mcf. Mike Little's total AA is 17.89 cents per Mcf.

3. The combined effect of the above adjustments is Mike Little's corrected gas cost recovery rate ("GCR") in the amount of \$3.2976 per Mcf, an increase of 32.12 cents per Mcf over its last approved rates.

4. The rates set out in the Appendix to this Order, pursuant to the GCA provisions approved by the Commission in its Order in Case No. 90-077 dated December 7, 1990, are fair, just, and reasonable, in the public interest, and should be effective with gas supplied on and after August 1, 1992.

IT IS THEREFORE ORDERED that:

1. The rates proposed by Mike Little are hereby denied.

2. The rates in the Appendix, attached hereto and incorporated herein, are fair, just, and reasonable and are approved effective with gas supplied on and after August 1, 1992.

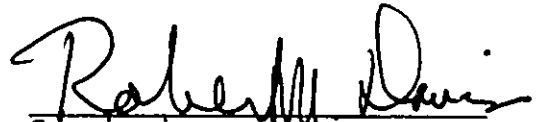
3. Within 30 days of the date of this Order, Mike Little shall file with this Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 31st day of July, 1992.

PUBLIC SERVICE COMMISSION

  
Chairman

  
Vice Chairman

  
Commissioner

ATTEST:

  
Executive Director, Acting

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 90-077-E DATED 7/31/92

The following rates and charges are prescribed for the customers in the area served by Mike Little Gas Company, Inc. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

#### RATES:

##### Monthly

	<u>Base Rate</u>	<u>Gas Cost Recovery Rate</u>	<u>Total</u>
First 1 Mcf - Minimum Bill	\$2.8211	\$ 3.2976	\$6.1187
Over 1 Mcf	2.6040	3.2976	5.9016